

**From:** KDE Asset Management  
**Sent:** Friday, June 28, 2002 12:09 PM  
**To:** KDE DAS Munis Finance Contacts; KDE Div School Finance  
**Subject:** GASB34 Updates for KDE reporting

KDE staff and SITS staff are committed to facilitate GASB 34. As we continue to work out reporting solutions, we want to keep you informed. We have identified issues that require change to the original implementation plans. These changes are listed below:

**Fund 9** will be used exclusively for recording long-term debt transactions.

**New Proprietary Funds** for fixed asset transactions are as follows:

FUND	DESCRIPTION
81	Food Service
82	Day Care
84	Adult Education

**Additional Fixed Asset Balance Sheet Accounts** will be required:

ACCOUNT	DESCRIPTION
6211	Land Improvements
6271	Infrastructure
6272	Accumulated Depreciation -Infrastructure

**Additional Function/Department Codes** may be required:

FUNCTION/DEPARTMENT	DESCRIPTION
3200	Day Care Operations
3400	Adult Education

### **Creating Asset Balances**

In addition, we firmly agree for districts implementing in 2003 that the assets identified as purchased or constructed prior to June 30, 2002 must be added into the fixed asset module in Period 13 of 2002. Assets purchased in FY2003 should be added in FY2003.

### **Capitalization Thresholds**

KDE also recommends different capitalization thresholds for specific classes of assets added after the initial implementation.

Districts should work with their Auditors to determine the thresholds based on materiality applicable to their district. Such classes of assets include, Land Improvements, Building and Building Improvements, Software, Leasehold Improvements and Infrastructure

### **Implementation Checklist Updates**

Numerous Districts are currently receiving or completing the contracted valuation files as a result of the valuation process for Fixed Asset implementation. Steps should be taken to begin reviewing the valuation files for preparation of implementation of Fixed Assets into MUNIS. It is unrealistic to expect a perfect file from the Valuation Company, as Districts may need to make some modifications to the data file such as Department Codes (functions) or classification of assets to finalize their district data for implementation purposes.

The newly posted FAI-9 document, is a checklist of items to use in reviewing and customizing

your file in preparation of implementing your initial asset file into MUNIS. Remember, this is an implementation of your District data and all measures should be taken to understand and finalize your data prior to importing into MUNIS to make a successful start of the new era of GASB34 reporting requirements.

Districts needing assistance in the data file conversion have several options available, if needed. Support services, i.e. KEDC, PSST, DFI and Jerry Toomes, are willing to provide various levels of services to assist districts in the review/modification process of the electronic file as needed. Services include reformatting to the correct MUNIS file layout if the District chooses to modify/customize the file themselves in MS-Excel. Keep in mind that other districts may have already completed this process and may be willing to provide assistance in converting the revised file.